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Report of the Secretary-General on the activities of the Office of Internal Oversight Services

Report of the Office of Internal Oversight Services on the audit of the employment of retirees

Note by the Secretary-General

1. Pursuant to General Assembly resolution 48/218 B of 29 July 1994 and decision 51/408 of 4 November 1996, the Secretary-General has the honour to transmit, for the attention of the General Assembly, the attached report, conveyed to him by the Under-Secretary-General for Internal Oversight Services, on the audit of the employment of retirees.

2. The Secretary-General takes note of its findings and concurs with its recommendations.

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Annex

Report of the Office of Internal Oversight Services on the audit of the employment of retirees

Summary

By its decision 51/408 of 4 November 1996, the General Assembly established new conditions for the employment of retirees and requested the Office of Internal Oversight Services (OIOS) to audit the compliance of recruitment of retirees in the Secretariat with the provisions of the present decision and to report thereon to the General Assembly at its fifty-third session.

As the employment of retirees was governed as well by other existing directives, including administrative instruction ST/AI/213/Rev.1 of 18 July 1984, OIOS decided to assess compliance with the provisions of decision 51/408 and those directives. Noting that decision 51/408 also called for the Secretary-General to produce a first report on the use of retired personnel covering the period from 1 January 1995 to 31 December 1997, OIOS decided to focus the audit on the employment of such personnel during this three-year period and a sample of 165 recruitment cases were reviewed in detail.

The audit gave rise to the following main observations and conclusions:

- There is a need for a standard definition of the term "retirees" to ensure the uniform application of the provisions of decision 51/408 and other related directives, as well as the accurate recording and reporting of information concerning the use of retired staff;
- Owing in part to differences in views as to who should be considered retirees under the existing directives, OIOS identified shortcomings in the recording of retiree data and their processing by the Secretariat's computerized personnel and payroll systems;
- There is also a need for a clarification of the provisions of decision 51/408, in particular as to whether the provision limiting the employment of retirees to six months per calendar year is applicable to retirees in general or only to those in receipt of a United Nations pension benefit;
- OIOS identified cases of non-compliance and other issues of concern involving 64 of the 165 cases examined;
- Of the 5,336 staff members of all categories recruited by the Secretariat during the period 1995–1997, at least 759, or 14 per cent, represent personnel who during that period were of retirement age, i.e., 60 years of age or over. OIOS believes that that figure is relatively high;
- There was gender imbalance in the recruitment of retirees during the three-year period 1995–1997;
- A number of retirees employed on a short-term basis were not medically cleared by the Medical Services Division of the Secretariat prior to their recruitment during the period 1995–1997.

As the foregoing findings indicate, there is a need for close monitoring of the employment of retired staff in the Secretariat to ensure full compliance with the established policies and related instructions. There is also a need to:

(a) Revise administrative instruction ST/AI/213/Rev.1 to reflect the new policies and procedures that have been adopted since its issuance;

(b) Limit the hiring of retired language services staff to those employable locally;

(c) Ensure that the new remuneration limits are applied consistently to all retirees receiving pension benefits, including those recruited under special service agreements and on a when-actually-employed (WAE) basis.

As detailed in the report, the Office of Human Resources Management and OIOS differ in their interpretation of the term "retirees" and of the applicability of the six-month limitation provision. For this reason, OHRM does not concur with some of the data and observations presented in the present report. It has agreed, however, with all of the recommendations contained therein.

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I. Introduction

1. By its decision 51/408 of 4 November 1996 on the employment of retirees, the General Assembly requested the Office of Internal Oversight Services to audit the compliance of recruitment of retirees in the Secretariat with the provisions of that decision and to report thereon to the General Assembly at its fifty-third session. In that decision, the General Assembly also:

(a) Endorsed the recommendations and observations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) contained in its report of 8 October 1996 on the employment of retirees (A/51/475), subject to the provisions of decision 51/408;

(b) Decided to set a ceiling across the board of 22,000 United States dollars per calendar year, representing the amount updated from the $12,000 limit set by the General Assembly in 1982, for the employment of retired staff in receipt of a pension benefit from the United Nations Joint Staff Pension Fund, with the exception of language services staff for whom the ceiling would be $40,000 per calendar year, and to limit such employment in all cases to no more than six months per calendar year;

(c) Also decided that no former staff member in receipt of a pension benefit should be re-employed at a level higher than that at which he or she separated from the organization concerned, nor should he or she be remunerated at a level higher than that at which regular staff are remunerated for the same function at the same duty station;

(d) Requested the Secretary-General, in employing retirees, to continue to seek geographical balance in accordance with Article 101 of the Charter of the United Nations, as well as gender balance;

(e) Also requested the Secretary-General to observe strictly the current practice whereby retirees must be medically cleared before re-employment;

(f) Further requested the Secretary-General to report to it every two years on all aspects of the use of retired personnel, including possible revision of the limits mentioned in subparagraph (b) above, and providing information concerning retirees recruited on a short-term basis at all categories and at all levels as well as under special service agreements; the first report, exceptionally, to cover the period from 1 January 1995 to 31 December 1997 and to be transmitted through the Advisory Committee to the General Assembly at its fifty-third session.

2. The Assembly's decisions concerning the employment of retirees are implemented by the Secretary-General principally through guidance provided by administrative instruction ST/AI/213/Rev.1, entitled "Retention in service and employment beyond the age of retirement". This administrative instruction includes the following provisions under the headings "Employment after age 60" and "Service under a special service agreement after age 55":

> "10. A corollary of the age of retirement of Secretariat staff being fixed at 60 years is that staff will not normally be appointed above that age. However, staff above that age may be appointed on a short or fixed-term appointment, if no other suitable candidate is available:
>
> "(a) For service specifically with a United Nations mission, under the 100 series of Staff Rules, or
>
> "(b) For service as technical assistance project personnel, under the 200 series of Staff Rules, or

"(c) For conference and other short-term service under the 300 series of Staff Rules, provided that the period or periods of service under such an appointment do not exceed six months in any one period of 12 consecutive months.

"11. No former staff member shall be so appointed within three months of retirement at or after the age of 60.

"12. ... all staff aged 60 years or more on appointment or reappointment will participate in the Pension Fund under the same conditions as staff under that age.

"13. ... (b) In accordance with section VIII of General Assembly resolution 37/237 of 21 December 1982 on the use of experts and consultants in the United Nations, no former staff member who is in receipt of a pension benefit from the United Nations Joint Staff Pension Fund shall receive from any United Nations funds more than $12,000 in any one calendar year in emoluments for work performed by him or her under contract or a special service agreement."

3. Since the employment of retirees was governed as well by other existing directives, including administrative instruction ST/AI/213/Rev.1, OIOS decided to assess compliance with the provisions of decision 51/408 and those directives. Noting that decision 51/408 called for the Secretary-General to produce a first report on the use of retired personnel covering the period from 1 January 1995 to 31 December 1997, OIOS decided to focus the audit on the employment of retirees during this same three-year period.

II. Definition of retirees and application of the six-month limitation provision

4. In implementing General Assembly decision 51/408 on the employment of retirees, the Office of Human Resources Management (OHRM) defines retirees as former staff members of more than 55 years of age who are in receipt of a monthly pension fund payment from the United Nations Joint Staff Pension Fund. OIOS notes, however, that this definition excludes staff members who have attained the retirement age, but for some reason are not in receipt of a monthly United Nations pension benefit. These staff members would include those who continue to be employed after retirement age, those who have retired and rejoined the Pension Fund as contributing members after more than six months of continuous service and those who have elected to receive their pension benefits as a withdrawal settlement upon retirement. The definition also excludes those new staff members who are over the retirement age at the time of their recruitment. This gives rise to the question of whether the employment of those individuals who do not fall within OHRM's definition of retirees should nevertheless be subject to the conditions governing the employment of retirees, in particular the provision that limits employment of retirees to a six-month period in any calendar year.

5. In accordance with its definition of retirees and in the belief that the six-month limitation provision is meant primarily to control the so-called "double-dipping" practice in which retirees simultaneously receive a monthly pension benefit and a salary from the United Nations, OHRM interprets that provision as applying only to retirees who are receiving a monthly United Nations pension benefit. OIOS disagrees with this interpretation because it implies that, as long as a retiree is not "double-dipping", he or she can be re-employed continuously and without limit. In the view of OIOS, this is contrary to the General Assembly's intent in establishing conditions for the employment of retired staff and does not take into account the Assembly's concerns about the negative impact of such

employment. In its resolution 49/222 of 23 December 1994, for example, the Assembly expressed its concern about the potential adverse effects of the use of retirees on recruitment and promotion in the Secretariat.

6. OIOS further notes that that Advisory Committee, in its report of 8 October 1996 on the employment of retirees (A/51/475), observed "that former staff members who have retired from the Organization should not be reappointed except under very exceptional and limited circumstances", and that "no retired staff member should be employed for more than six months per year". On the other hand, in the same report, the Advisory Committee also stated that:

> "The Committee agrees that there may be particular merit in using retired staff, on an exceptional and short-term basis, after having ascertained that all other options are unsuitable, particularly in relation to field mission service, in cases of major complex humanitarian emergencies or in assignments related to conference services. However, this resource should only be utilized under the oversight and control of the Office of Human Resources Management, which must ensure that the conditions enumerated in paragraphs 3 and 4 of the Secretary-General's report are strictly observed."

The Secretary-General's report of 16 August 1996 referred to in the above-quoted text is contained in document A/C.5/51/2, and paragraphs 3 and 4 of that report read as follows:

> "3. Reflective of the guidance and concerns of Member States on the subject, the general policy for the employment of retirees within the global Secretariat provides that staff will not normally be appointed above the mandatory retirement age. However, when their appointment on a temporary basis is considered in the best interests of the Organization and unless no other suitable candidate is available, they may be appointed under the following conditions:
>
> "(a) For service specifically with a United Nations mission, under the 100 or 300 series of the Staff Rules;
>
> "(b) For service as technical assistance project personnel, under the 200 series of the Staff Rules;
>
> "(c) For conference and other short-term service, under the 300 series of the Staff Rules, provided that the period or periods of service under such an appointment do not exceed six months in any one period of 12 consecutive months. Moreover, no staff member shall be appointed within three months of retirement at or after the mandatory retirement age. Since participation in the United Nations Joint Staff Pension Fund is no longer limited to staff who are employed for six months or more under the mandatory retirement age, all re-employed retired staff must participate in the Pension Fund under the same conditions as staff under that age.
>
> "4. In the implementation of these policy guidelines, the substantive department/office is responsible for carrying out a programmatic evaluation of the work to be performed ... and for ascertaining that there are no staff on board who can effectively perform the functions within available resources. Once the determination is made that external support is required, programme managers, in consultation with their Chiefs of Administration/Executive Officers, are required to ascertain that:
>
> "(a) The relevant resolutions and decisions of the General Assembly on the employment of retirees are fully respected;
>
> "(b) The regulations of the United Nations Joint Staff Pension Fund are fully respected and applied;

"(c) The resort to external support does not adversely impact the development and legitimate career aspirations of serving staff;

"(d) There are no qualified and available non-retiree sources of external personnel to perform the required functions;

"(e) The employment of the retiree represents both a cost-effective and operationally sound solution to meeting the needs of the service."

7. In the opinion of OIOS, the provisions or statements quoted in paragraphs 5 and 6 above clearly indicate that the Organization as a whole is concerned not only with the "double-dipping" practice, but also with other broader implications of the employment of retired staff. For this reason, OIOS believes that an equally broad definition of the term "retirees" is called for and that the six-month limitation provision should be applied on a wider basis, subject to any exceptions that may be authorized to cover the cases and conditions described in the reports referred to above by the Advisory Committee and the Secretary-General, respectively.

8. To clarify the definition of the term "retirees" and the application of the six-month limitation provision, OHRM and OIOS jointly requested a legal interpretation from the Office of Legal Affairs. According to the interpretation of that Office, the term "retirees", within the meaning of subparagraph (b) of decision 51/408, refers only to retired staff members receiving a pension benefit from the United Nations Joint Staff Pension Fund. The Office of Legal Affairs also stated that the broader concerns of OIOS are already addressed in the Secretary-General's report (A/C.5/51/2) and in administrative instruction ST/AI/213/Rev.1. However, the Office of Legal Affairs also stated that the application of the six-month limitation provision to all categories of retirees would require action by the General Assembly. OIOS believes that General Assembly action explicitly addressing these issues is both appropriate and necessary because the provision in question, as currently applied by OHRM, may not fully address all of the concerns raised by the Assembly on the use of retired personnel.

Need to update the administrative instruction on the employment of retired staff

9. As discussed above, the policies concerning the employment of retirees are implemented by the Secretariat primarily through guidance provided in administrative instruction ST/AI/213/Rev.1. However, since its issuance in July 1984, this instruction has not been revised to reflect policy changes adopted since that date through General Assembly resolutions and other issuances. Not reflected in that instruction are the relevant provisions contained in the following issuances:

- ST/SGB/Staff Rules/1/Rev.7/Amend.2 of 25 July 1991, and revised Staff Regulation 9.5 of 19 December 1989, providing that staff members shall normally not be retained in active service beyond the age of sixty years or, if appointed on or after 1 January 1990, beyond the age of sixty-two years;
- ST/AI/403 of 18 May 1995, providing that staff members who left the Organization under the early separation programme cannot be reappointed for a four-year period following separation;
- General Assembly resolution 49/222 B of 20 July 1995, providing that the remuneration limits of $12,000 in any one calendar year applied to all types of

appointment for former staff receiving pension benefits from the United Nations Joint Staff Pension Fund;

- The Secretary-General's report on the employment of retirees (A/C.5/51/2), which established new criteria for such employment;
- General Assembly decision 51/408, establishing new limits and conditions on the employment and remuneration of retired staff;
- Information circular ST/IC/1997/62 of 19 September 1997, providing that the established remuneration limits applied to the gross amount of the fee payable to retirees employed under special service agreements, or to the gross amount of salary, less staff assessment, for retirees employed under letters of appointment.

III. Number of retirees employed during the period 1995–1997

10. The audit disclosed shortcomings in the way data concerning retired staff were recorded in the Integrated Management Information System (IMIS) and the Integrated Personnel/Payroll System (IPPS) and in the way these systems had been programmed to process and report the data. OIOS noted that, in documenting a staff member's separation on retirement, departments were recording the action as a "retirement", if the staff member held a permanent appointment on the separation date, or an "expiration of appointment" if the staff member held a fixed-term or other non-permanent appointment on that date. In reviewing the impact of this practice on the data entered into the Integrated Management Information System and the Integrated Personnel/Payroll System, OIOS noted that these systems did not adequately provide for the proper handling and reporting of such data. For example, when a list of retirees employed during the period 1995–1997 was requested from IMIS, it produced a list containing only 16 names. This has been attributed to the incomplete historical database and related programming deficiencies of the System. When a similar request was made subsequently of IPPS, it produced a list containing 223 names (comprising only those staff members whose separations were coded "retirement"). In contrast, the final list accepted for audit purposes by OIOS and generated from IPPS according to the OIOS selection criteria contains a much higher number of retirees (759). The above situation indicates that the computerized data on retirees are not reliable and that action is needed to ensure that retiree data are accurately recorded, processed and reported through IMIS.

11. Using the criteria that "retirees" refers to all staff members who had attained retirement age, OIOS determined that 759 such staff members served or were on board in the Secretariat during the three-year period 1995–1997. These criteria are based, in part, on the Organization's retirement policy as set out in Staff Regulation 9.5, which provides that staff members shall normally not be retained in active service beyond the age of 60 years or, if appointed on or after 1 January 1990, beyond the age of 62 years.

12. The total of 759 retirees includes only staff members employed under letters of appointment. It does not include those retirees who served under special service agreements, because the related data were either incomplete or not immediately available. Also, no information was available on retired staff members who may have been re-employed through private companies contracting with the United Nations.

13. The above total represented 14 per cent of the 5,336 staff members of all categories who were recruited during the period 1995–1997 in the Secretariat, as provided through IPPS. Following is a breakdown by age bracket of the 759 retired staff employed during the period 1995–1997:

Age distribution of re-employed retirees

Age bracket	*Number*	*Percent of total*
60-64	506	66.7
65-69	181	23.8
70-74	58	7.6
75-79	12	1.6
80 and over	2	0.3
Total	**759**	**100.0**

14. OIOS also noted the following:

- 229 (30 per cent) filled language services posts at Headquarters, and 104 (14 per cent) served in peacekeeping missions or with the Department of Peacekeeping Operations at Headquarters;
- 493 (65 per cent) were male, and 266 (35 per cent) were female;
- 579 (76 per cent) were recruited in the Professional and higher categories, and 180 (24 per cent) in the General Service and similar categories;
- 381 (50 per cent) were nationals of five countries (Egypt, France, Spain, the United Kingdom of Great Britain and Northern Ireland and the United States of America), and 378 (50 per cent) were nationals of 83 other countries. However, it should be noted that over 40 per cent of the 759 retired staff members served in language services and peacekeeping mission posts, which are normally not subject to geographical distribution.

15. The above data, in the view of OIOS, support the following conclusions:

(a) The number of retirees employed during the period 1995–1997 was relatively high;

(b) There was gender imbalance in the recruitment of retired staff during the period 1995–1997, as measured against the Organization's goals in this regard and the overall breakdown of Secretariat staff by gender for the same period, which was 55 per cent male and 45 per cent female;

(c) There is a need to limit the employment of retirees in the Secretariat and to find alternative means, such as outsourcing and developing in-house expertise, of acquiring the required services.

16. *Although OHRM disagreed with OIOS' observation that the number of retirees employed during the 1995–1997 time frame was relatively high, it concurred with the conclusion that there is a need to find alternatives to the use of retirees. With regard to the observation on gender imbalance, OHRM stated that it would be difficult "to consider gender balance for recruitment of retirees in the same way we consider these aspects for recruitment of normal career staff, particularly when recommendations to resort to local appointments are complied with for cost reasons".*

IV. Cases of non-compliance with directives on the employment of retirees

17. Based in part on the OIOS interpretation of the term "retirees" and of the existing directives on the employment of retirees, 165 cases of appointments at Headquarters were selected for detailed examination. Based on this examination, a number of cases were identified in which these directives were not complied with. A summary description of these cases follows.

Appointment in excess of the six-month limit per calendar year

18. OIOS identified 15 retirees who, in violation of established policy, were hired under fixed-term appointments and were employed for continuous periods exceeding the six-month limit. Nine of the retirees worked continuously for periods of from 7 to 15 months, and six others served continuously for periods ranging from 26 to 77 months.

19. In addition, the audit disclosed that three of the latter group were granted promotions to the next higher grade level (two in the Professional and higher categories, one in the General Service category) during their extended period of service as retirees.

20. *OHRM did not concur with the above observations, in view of its interpretation of the six-month limitation provision discussed earlier, and the fact that the staff members referred to above had all re-entered the Pension Fund and were, therefore, no longer receiving pension benefits from the United Nations during their extended period of re-employment.*

Retirees receiving payments in excess of the remuneration limits

21. The audit identified eight cases in which retired staff members received salary payments in excess of the established remuneration limits while at the same time also receiving monthly pension benefits. The amount by which the limit was exceeded in these eight cases averaged over $19,000 per retiree. Three of the cases related to retirees who were hired under special service agreements (SSAs) and four cases involved retirees appointed under short-term contracts on a "when-actually-employed" (WAE) basis. These payments in excess of established limits were attributed to the lack of awareness on the part of the departments involved, whereby, owing to the nature of special service agreements and WAE appointments, the retirees in question were not required to re-join the Pension Fund. There was also an absence of controls to prevent the remuneration limits from being exceeded. Some of the WAE cases also involved a violation of the established time limit of six months per calendar year.

22. To prevent a recurrence of similar cases, there is a need to establish controls in this area, such as requiring user departments to review each individual's United Nations employment and payment history as a retiree before hiring him or her under a letter of appointment or special service agreement.

Other non-compliance cases

23. The audit identified five cases of non-compliance with the provision prohibiting the appointment of retirees within three months of their retirement date. In five other cases, there was non-compliance with the rule requiring that staff appointed for periods of six months or longer must participate in the Pension Fund. These cases provide further grounds for closely monitoring the hiring of retired staff to ensure compliance with relevant policies.

V. Other problem areas

Employment of retirees for conference services

24. The audit showed that the practice of hiring a significant number of retirees for conference services has continued. Of the 457 retirees recruited at Headquarters during the period 1995–1997, 229 (50 per cent) were language services staff, including 145 who were employed in 1997 alone. Of these 145 retirees, 135 (93 per cent) were Professional staff, including 25 interpreters, 57 revisers and 27 translators. The remainder were conference clerk-typists.

25. The number of retirees serving as revisers is particularly noteworthy in terms of their ratio to the total number of revisers assigned to each language section. OIOS noted that in 1997, 18 of the 36 revisers assigned to the Arabic and French Translation Sections (nine in each section, or 50 per cent of each section's total revisers) were retirees. In the Spanish Translation Section, the percentage of retired staff serving as revisers was 31 per cent. In a number of cases, retirees in these sections were hired and charged against established posts.

26. In the view of OIOS, this practice lends further credence to the concerns expressed by the General Assembly on the use of retirees, in particular with regard to the adverse impact their continued hiring may have on the career prospects of regular staff.

Non-local recruitment of retiree language staff

27. Although a significant number of retiree language staff continued to be employed on the more costly non-local basis, the Secretariat has had some success in its efforts, as reported by the Secretary-General in A/C.5/51/2, to "maximize the use of local freelance staff and avoid payment of costly travel expenses and daily subsistence allowances". The following figures compiled by OIOS indicated that, since 1995, the extent of non-local hiring of retirees for conference services Secretariat-wide had decreased from year to year in relation to the total retired language staff employed.

Retired language staff employed during the period 1995–1997

		Employed on non-local basis	
Year	*Total employed*	*Number*	*Percent of total*
1995	224	106	47
1996	143	50	35
1997	238	74	31

28. Based on the available figures, OIOS estimates that for the period 1995–1997, the United Nations paid almost $8 million more at Headquarters alone by hiring 38 non-local, instead of local, retired language staff. This amount does not include the administrative cost of providing visas and other services such as telecommunications. *At the same time, according to OHRM, offsetting savings of an undetermined amount have been achieved through the use of remote telecommunications facilities in obtaining the services of translators from their places of residence.*

29. The main reason given for recruiting retired language staff on a non-local basis has been that the only suitable candidates available resided abroad. There apparently have been cases, however, of retirees being hired on a non-local basis although they maintained a residence in New York at the time of recruitment. One such case identified by OIOS involves a staff member who retired in 1984 and during the period 1985–1996 was continuously hired twice a year on a non-local basis. In addition to a P-5 salary, this retiree was paid per diem at the New York rate, although he maintained a residence in New York prior to his retirement and throughout that period, giving rise to the possibility that he could have been hired locally. Because each appointment was for a period of less than six months, he continued to receive pension benefits in addition to a salary and per diem. OIOS estimates that, in 1995, he received a combined total of $136,000 in salary, pension benefits, two round-trip air tickets and per diem for 193 days. His combined 1996 United Nations income amounted to about $86,000. Since 1997, however, when he acquired permanent residence status in the United States, he has been reappointed on a local basis.

30. *In respect of the foregoing, OHRM commented as follows: "As regards the recommendation to limit the hiring of language staff to those employable locally, we fully agree with the idea, but for interpreters this is not always possible. For translators, there are more possibilities since translation/revision should preferably be contracted locally (where the translators reside), with electronic transmissions through the Internet or by other means as already in use by the Department of General Assembly Affairs and Conference Services."*

Recruitment of retirees without prior medical clearance

31. The audit disclosed that, in a number of cases, retirees had been recruited without being medically cleared beforehand by the United Nations. In each case, the audit team found a medical certificate issued by a private physician, but no indication that the physician's findings had been reviewed and endorsed by the Medical Services Division.

32. The Division explained that, as a rule, primarily owing to lack of resources, its medical clearance procedures were not applied in connection with the appointment of retirees on a short-term basis. In the view of OIOS, this poses a risk because, although retirees may be hired initially for a short-term period, they could be, and in many cases have been, rehired continuously from year to year, allowing them to serve for a relatively lengthy period. Not subjecting the appointment of retirees to prior medical clearance exposes the Organization to financial risks, in particular with regard to retirees at more advanced ages.

VI. Conclusions and recommendations

33. The audit indicated that, despite the steps taken by the Secretariat to date in reducing its reliance on the services of retired staff, the number of such staff being hired is, in the view of OIOS, still high and should be further reduced. Hiring retirees should be considered

a last resort and not a preferred method of filling certain vacant posts, even on a temporary basis. This requires a stronger effort and commitment by the departments involved to ensure compliance with the Secretary-General's policy for reform.

34. The audit also showed that, in addition to reducing the Organization's reliance on retired staff, there is a need to strengthen the related internal controls in order to ensure full compliance with the conditions and limits set by the General Assembly regarding the employment of retirees. OIOS makes the following recommendations towards this end:

- *Recommendation 1*. OIOS recommends that the Office of Human Resources Management provide a standard definition of the term "retirees" and clarify whether the six-month limitation provision applies only to retired personnel in receipt of a United Nations pension benefit or whether it applies also to retired personnel who do not receive such a benefit (AH97/28/1/001);
- *Recommendation 2*. The Office of Human Resources Management should revise the existing administrative instruction on the employment of retirees to reflect the changes in policies and procedures that have been adopted since its issuance, as well as the definition of retirees to be determined in accordance with recommendation 1 above (AH97/28/1/002);
- *Recommendation 3*. The Office of Human Resources Management, in cooperation with individual departments and the IMIS Project Team, should take appropriate action to ensure that retiree-related data are accurately recorded, maintained and reported by the Secretariat (AH97/28/1/003);
- *Recommendation 4*. The Office of Human Resources Management should: (a) closely monitor the employment of retirees by individual user departments to ensure that such employment is used under exceptional and limited circumstances only; and (b) promote alternative means of acquiring the required services by developing in-house expertise (AH97/28/1/004);
- *Recommendation 5*. The Office of Human Resources Management should regularly monitor retiree appointments to ensure compliance with the provision limiting the period during which retirees can be employed in any calendar year (AH97/28/1/005);
- *Recommendation 6*. The Department of Management should establish a procedure, as part of the built-in controls within IMIS or on a manual basis, to ensure that the remuneration limits set forth under General Assembly decision 51/408 are strictly adhered to in the case of retirees serving under either letters of appointment or special service agreements (AH97/28/1/006);
- *Recommendation 7*. The Department of General Assembly Affairs and Conference Services, in cooperation with the Office of Human Resources Management, should conduct a comprehensive review of the use of retirees for conference services, with a view to reducing the number of retirees employed for those services and ensuring that the career prospects of regular staff are not adversely affected by the use of retirees (AH/97/28/1/007);
- *Recommendation 8*. The Department of General Assembly Affairs and Conference Services, in cooperation with the Office of Human Resources Management, should continue its efforts to reduce, to the fullest possible extent, its reliance on retirees in general, and to make all possible efforts to recruit language staff on a local, rather than non-local basis (AH97/28/1/008);

- *Recommendation 9.* The Office of Human Resources Management should take appropriate steps to ensure that the requirement to have retirees medically cleared prior to recruitment is applied consistently and without exception (AH97/28/1/009).

35. *The Office of Human Resources Management had the following overall comments on the findings and recommendations contained in the present report: "OHRM believes that, in general, the conditions for re-engagement of retirees are observed throughout the Organization both by management and the retirees themselves. In cases where suspicions of abuse exist, these should be addressed immediately with the Departments requesting the services, and OHRM intends to monitor this when full IMIS recording of the contracting of retirees is achieved."*

(*Signed*) Karl Th. **Paschke**
Under-Secretary-General for Internal Oversight Services